



**MINUTES
BUDGET, FINANCE AND AUDIT COMMITTEE
UNA FOUNDATION**

Friday, November 15, 2019; 10:00 a.m. – 11:30 a.m.

The Guillot University Center – Banquet Hall D

Present: Chair Chuck Hunt, Vice Chair Cathy Miller, Lucy Trousdale, Larry Bowser, Jeff Johnson, Evan Thornton (*Staff, non-voting*) and Foundation Executive Director Kevin Haslam.

Not Present: Graham Sisson, David Muhlendorf

Staff Liaison: Gwen Patrick

The meeting was called to order at 10:02 a.m. Chair Hunt recognized and welcomed new committee members Larry Bowser, Jeff Johnson and Graham Sisson. Appreciation was expressed to Cathy Miller for serving as Vice Chair.

Chair Hunt also expressed his appreciation to former Budget, Finance and Audit Committee Chair David Sunseri for his service and leadership.

Chair Hunt reviewed minutes from the July 18, 2019 Budget, Finance, and Audit Committee meeting. Lucy Trousdale made a motion to approve the minutes as drafted. Cathy Miller provided a second and all members voted in favor.

Gwen Patrick reviewed the unaudited Financial Statements for the Foundation as of September 30, 2019. Several of the Income and Expense budget items were discussed in detail. A discussion ensued regarding the presentation of only unrestricted income and expenses. It was requested that information be provided in the future about unrestricted and restricted activity.

Chair Hunt began a discussion concerning audit services. When the current auditor, CDPA, was hired, it was for a time period of two years with an option to continue to a third year. In March 2019, the Budget, Finance and Audit Committee voted to extend CDPA's services to a fourth year due to a timing issue with other RFP's in progress. After discussion and input from all present regarding advantages and disadvantages of requesting proposals for new auditing services, it was decided that auditing services with CDPA will continue indefinitely but another partner with the firm will review the audit upon completion.

Staff Liaison Gwen Patrick presented a draft of an Operating Reserve Policy recommended by several regulatory bodies. Discussion centered around a target minimum amount and how long the Foundation is allowed to restore the minimum once used. The Committee settled on a target minimum of three months of the budgeted expenses for each fiscal year. The minimum for Fiscal Year 20 will be \$218,537 (\$874,150 x ¼). The minimum will be recalculated each fiscal year upon approval of the Foundation budget. Requests to use

reserve funds will be made by the Executive Director of the Foundation and approved by the Executive Committee and the entire board. The Foundation will have 36 months to recover the target minimum. The current reserve of \$400,000 is held in a Certificate of Deposit at Progress Bank that will mature in April 2020. The Committee will discuss options for the use of the excess reserve at the next meeting. Lucy Trousdale made a motion to approve the policy as discussed. Cathy Miller provided a second and all members voted in favor.

The meeting adjourned at 11:15. a.m.